

1 THE REGULAR MEETING

2 OF THE

3 BOARD OF DIRECTORS

4 TRABUCO CANYON WATER DISTRICT

5 JUNE 16, 2010

6 The Regular Meeting of the Board of Directors of the Trabuco Canyon
7 Water District (TCWD) was called to order by President Mike Safranski at 7:00
8 p.m. at Trabuco Canyon Water District's office located at 32003 Dove Canyon
9 Drive, Trabuco Canyon, California. Teresa Teichman, Assistant Board
10 Secretary, recorded and transcribed the minutes thereof.

11 **DIRECTORS PRESENT**

12 Mike Safranski, President
13 Ed Mandich, Vice President
14 Jim Haselton, Director
15 Glenn Acosta, Director
16 Matt Disston, Director

17 **STAFF PRESENT**

18 Don Chadd, General Manager
19 Hector Ruiz, District Engineer
20 Teresa Teichman, Assistant Board Secretary
21 Michael Perea, Special Projects Manager

22 **PUBLIC PRESENT**

23 No members of the public were present

24 **CONSULTANTS PRESENT**

25 Rob Anslow, Legal Counsel

26 **PLEDGE OF ALLEGIANCE**

27 Vice President Mandich led the Board and staff in the pledge of allegiance.

28 **VISITOR COMMENTS**

There were no public comments.

ORAL COMMUNICATION

There were no comments.

1 **DIRECTOR'S COMMENTS**

2 There were no Director comments

3 **REPORT FROM THE GENERAL MANAGER**

4 Mr. Don Chadd, General Manager, suggested item 1E be pulled from the
5 consent calendar and be added to the action calendar as it requires passing a
6 resolution.

7 MOTION: A motion was made by Director Disston and seconded by
8 Director Acosta finding that item 1E requires a resolution
9 vote and should be moved to the action calendar, under
Administrative Matters and will therefore become item
1H(2). The motion carried 5-0

10 **CONSENT CALENDAR**

11 President Safranski announced that all matters under the Consent
12 Calendar would be approved by one motion unless a Board Member requests a
13 separate action on a specific item.

14 MOTION: A motion was made by Director Disston and seconded by
15 Director Acosta to approve the Consent Calendar, Item Nos.
1A through 1D, as presented. The motion carried 5-0.

16 **ACTION CALENDAR**

17 President Safranski stated that the General Manager and staff had
18 reviewed all matters under the Action Calendar prior to the Board's
19 consideration.

20 **ADMINISTRATIVE MATTERS**

21 **ITEM NO. 1F. CONSIDERATION AND POSSIBLE ADOPTION APPROVING RESOLUTION**
22 **NO. 2010-1137 IN SUPPORT OF THE SOUTH ORANGE COUNTY**
WASTEWATER AUTHORITY'S (SOCWA) OUTREACH EFFORT

23 Mr. Chadd advised the Board he has received a letter from SOCWA's
24 General Manager for support of their efforts, and that staff has prepared a
25 resolution should it be the Boards desire.

26 Director Disston, who is also the Chair of SOCWA provided background
27 information as it relates to the modification of SOCWA's NPDES permit which
28 was recently denied by the San Diego Regional Water Quality Control Board and

1 is now pending appeal. Discussion occurred regarding the impact this ruling
2 may have on desalination facilities and brine disposal permit-holders across
3 the state.

4 RESOLUTION: A motion was made by Director Disston and seconded by
5 Director Hasleton to adopt Resolution No. 2010-1137 in
6 support of sound statewide policies that advance clean
7 sustainable local water supply. The motion carried 5-0.

8 **ITEM NO. 1G. DIRECTION TO STAFF REGARDING 2010/2011 STANDBY ASSESSMENTS**

9 Mr. Chadd advised TCWD charges an annual standby assessment, currently
10 \$15.00 per acre or portion thereof, for undeveloped land within TCWD's
11 boundaries. The charge is levied to cover the fixed costs of the existing
12 system to make water available, when requested, to serve the undeveloped
13 land.

14 MOTION: A motion was made by Director Disston and seconded by
15 Director Mandich directing staff to move forward with the
16 procedures to set the 2010/2011 water standby assessments at
17 \$15.00 per acre or portion thereof and to agendize a Public
18 Hearing for the July 21, 2010 Regular Board Meeting. The
19 motion carried 5-0.

20 **ITEM NO. 1H. STATUS UPDATE RELATING TO WATER MONITORING AND WATER
21 CONSERVATION EFFORTS**

22 Mr. Chadd discussed the data provided by MWDOC. Each Director's
23 residential consumption was also reviewed.

24 The Board received and filed the status update.

25 **ITEM NO. 1H-2. CONSIDERATION AND POSSIBLE ACTION RELATING TO ADOPTION OF A
26 RESOLUTION APPOINTING A DISTRICT SECRETARY**

27 Mr. Chadd stated the current Assistant District Secretary, Ms. Teresa
28 Teichman, has completed her training and recommended the Board appoint her as
The District Board Secretary, relieving Rob Anslow, Legal Counsel from the
position of District Board Secretary.

1 RESOLUTION: A motion was made by Director Disston and seconded by
2 Director Mandich to move staff recommendation to adopt
3 Resolution No. 2010-1138 appointing Ms. Teresa Teichman as
4 Board Secretary. The motion carried 5-0.

5 **ENGINEERING MATTERS**

6 **ITEM NO. 1I. STATUS UPDATE AND POSSIBLE ACTION RELATING TO ROSE CANYON**
7 **AND LANG WELLS GROUNDWATER TREATMENT FACILITIES**

8 Mr. Ruiz provided a power point presentation which identified
9 different stages of construction at the wells site. Mr. Ruiz stated
10 the construction is proceeding smoothly and that good progress is
11 being made. Mr. Ruiz updated the Committee as to the progress and
12 status of the phases of construction occurring at the site along with
13 a three month look ahead regarding construction activities..

14 Mr. Ruiz discussed the delivery of the chlorine contact tank and
15 the demolition of the Lang Well building.

16 Mr. Ruiz explained to the Board the requirement by the Department
17 of Public Health (DPH) for a new resolution from the District which
18 will demonstrate a dedicated funding source for the repayment of the
19 State Revolving Fund Loan. The Resolution will also authorize an
20 officer to execute a funding agreement, amendments, and certifications
21 and will designate a person (registered engineer) to sign the budget
22 and Expenditure Summary.

23 Mr. Ruiz recommended the Board approve Resolution No. 2010-1128

24 RESOLUTION: A motion was made by Director Acosta and seconded by
25 Director Disston to move staff recommendation to adopt
26 Resolution No. 2010-1128 authorizing the General Manager to
27 sign funding agreement, certifications, and amendments for
28 funding under the Safe Drinking Water State Revolving Fund;
The District Engineer to execute budget and expenditure
summary; authorizing the District Engineer to sign the
contractor's release form; and dedicating revenues from the
Water Reliability and Emergency Storage meter charge as the
source of revenue to repay said loan. The motion carried
5-0.

1 **ITEM NO. 1J. STATUS UPDATE RELATING TO BAKER WATER TREATMENT FACILITY**

2 Mr. Hector Ruiz, District Engineer, advised a Notice of Preparation
3 (NOP) of an Environmental Impact Report has been prepared by IRWD. Mr. Ruiz
4 provided a copy of the letter which went out on May 19, 2010 to Responsible
5 and Trustee Agencies and Interested Parties. The NOP was followed by a
6 public scoping meeting.

7 Mr. Ruiz stated the Baker Water Treatment Plant Committee met on June
8 10, 2010 and advised there have been revisions to the cost sharing for this
9 project which result in a slight percentage reduction of TCWD's share. Mr.
10 Ruiz advised TCWD will begin to receive quarterly invoices for the design
11 portion of the project. Mr. Ruiz provided a review of the project schedule
12 and budgetary costs. Current and future capacity was discussed.

13 Mr. Chadd stated both he and Paul Jones, General Manager for IRWD have
14 signed notices from legal counsel acknowledging representation of both
15 parties as it pertains to financing agreements..

16 The Board received and filed the status update.

17 **FINANCIAL MATTERS**

18 **ITEM NO. 1K. CONSIDERATION AND POSSIBLE ADOPTION OF RESOLUTION NO. 2010-**
19 **1129 ADOPTING FY 2010/2011 GENERAL FUND BUDGET AND CAPITAL**
20 **IMPROVEMENT PROGRAMS**

21 Mr. Chadd reviewed information from the June 8, 2010 Special Board
22 Budget Workshop along with the increases from MET and potential MET penalties.
23 Mr. Chadd recommended that the Fiscal Year 2010/2011 General Fund Budget and
Capital Improvement Program be adopted as presented.

24 RESOLUTION: A motion was made Director Disston and seconded by Director
25 Acosta to adopt Resolution No. 2010-1129 which is entitled,
26 "Resolution of the Board of Directors of the Trabuco Canyon
Water District Approving the General Fund District Budget
for Fiscal Year 2010/2011." The motion carried 5-0.

27 Director Acosta stated his appreciation of the consideration not to
28 increase recycled/reclaimed water rates in this budget.

ITEM NO. 11. CONSIDERATION AND POSSIBLE ADOPTION OF RESOLUTIONS
APPROVING FISCAL YEAR 2010/2011 BUDGETS

Mr. Chadd advised the Board the total amount to be levied for the Community Facilities Districts is \$6,043,417.86 and made recommendation that the board adopt the resolutions approving the special tax levies for fiscal Year 2010/2011. Discussion occurred relating to the calculation of the debt services based on fiscal year figures versus a calendar year basis.

RESOLUTION: A motion was made by Director Disston and seconded by Director Acosta to move staff recommendation and adopt the following resolutions:

- 1) Resolution No. 2010-1131. "Resolution of the Board of Directors of the Trabuco Canyon Water District Approving the Budget for 2010/2011 for communities Facilities District No. 2" (Baldwin Property, ET AL) \$807,231.78
- 2) Resolution No. 2010-1132. "Resolution of the Board of Directors of the Trabuco Canyon Water District Approving the Budget for 2010/2011 for communities Facilities District No. 5" (Robinson Ranch, County Roads) \$396,287.36
- 3) Resolution No. 2010-1133. "Resolution of the Board of Directors of the Trabuco Canyon Water District Approving the Budget for 2010/2011 for communities Facilities District No. 5" (Robinson Ranch, Sewer) \$101,526.84
- 4) Resolution No. 2010-1134. "Resolution of the Board of Directors of the Trabuco Canyon Water District Approving the Budget for 2010/2011 for communities Facilities District No. 7" (Dove canyon, County Roads) \$1,878,852.42
- 5) Resolution No. 2010-1135. "Resolution of the Board of Directors of the Trabuco Canyon Water District Approving the Budget for 2010/2011 for communities Facilities District No. 7" (Dove Canyon, Water & Sewer) \$2,254,984.26
- 6) Resolution No. 2010-1136. "Resolution of the Board of Directors of the Trabuco Canyon Water District Approving the Budget for 2010/2011 for communities Facilities District No. 8" (Rancho Cielo) \$604,535.20

The motion carried 5-0.

1 **ITEM NO. 1M. CONSIDERATION AND POSSIBLE ADOPTION OF RESOLUTION NO.**
2 **2010-1130 ESTABLISHING APPROPRIATIONS LIMIT FOR FISCAL YEAR**
3 **2010/2011**

4 Mr. Chadd advised District legal counsel has calculated the FY
5 2010/2011
6 Appropriations Limit to be \$2,191,826.32

7 **RESOLUTION:** A motion was made by Director Disston and
8 seconded by Director Acosta to move staff
9 recommendation as presented and adopt the
10 resolution. The motion carried 5-0.

11 **LEGISLATIVE MATTERS**

12 **ITEM NO. 1N. REVIEW AND DISCUSSION OF SOUTH ORANGE COUNTY ISSUES**
13 **REGARDING THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**
14 **(MWDOC)**

15 President Mike Safranski provided a recap from the meeting between
16 South County Agencies and MWDOC on May 25, 2010. Mr. Safranski reminded the
17 Board Mr. Kevin Hunt, General Manager of MWDOC, was to create a draft
18 agreement and provide to all parties by mid June.

19 The Board received and filed the information.

20 **ITEM NO. 1O REVIEW OF LOCAL GOVERNMENTAL AND LEGISLATIVE INFORMATIONAL**
21 **ITEMS**

22 Mr. Chadd discussed the recent LAFCO meeting which heard the matter of
23 Coto de Caza, Las Flores, and Wagon Wheel to be included in the City of
24 Rancho Santa Margarita's sphere of influence.

25 **END ACTION CALENDAR**

26 **OTHER MATTERS**

27 No other matters were discussed.

28 **ADDITIONAL DIRECTORS' COMMENTS**

There were no additional comments.

ADDITIONAL GENERAL MANAGER COMMENTS

There were no additional comments.

ADJOURNMENT

At 8:20 p.m. President Safranski adjourned the June 16, 2010
Regular Board Meeting.

Respectfully Submitted,

Teresa Teichman
Secretary to the Board of
Directors